

Adopted	Rejected
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COMMITTEE REPORT

YES:	19
NO:	4

MR. SPEAKER:

*Your Committee on Ways and Means, to which was referred House Bill 1351, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Delete the title and insert the following:
- 2 A BILL FOR AN ACT to amend the Indiana Code concerning
- 3 economic matters.
- 4 Page 1, between the enacting clause and line 1, begin a new
- 5 paragraph and insert:
- 6 "SECTION 1. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE
- 7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
- 8 1, 2007]: **Sec. 15. (a) The fiscal body of a county may adopt an**
- 9 **ordinance to require each political subdivision in the county that**
- 10 **issues obligations after the effective date of the ordinance to**
- 11 **recover on each obligation issued by the political subdivision an**
- 12 **amount equal to five-tenths of one percent (.5%) of the amount of**
- 13 **the obligation issued.**
- 14 **(b) An amount recovered under an ordinance adopted under**

1 subsection (a) is considered a cost of issuance.

2 (c) Sixty percent (60%) of the amounts recovered under this
 3 section in a county shall be distributed to the units in the county
 4 that have established an affordable housing fund under
 5 IC 5-20-5-15.5 for deposit in the appropriate fund. The amount to
 6 be distributed to a unit is the amount available for distribution
 7 multiplied by a fraction. The numerator of the fraction is the
 8 population of the unit. The denominator of the fraction is the
 9 population of all units in the county that have established a fund.
 10 The population to be used for a county that establishes a fund is the
 11 population of the county outside any city or town that has
 12 established a fund. The population to be used for a consolidated
 13 city is the population of the county outside any excluded city that
 14 has established a fund.

15 (d) Forty percent (40%) of the amounts recovered under this
 16 section in a county shall be transferred to the treasurer of state for
 17 deposit in the state affordable housing and community
 18 development fund established under IC 5-20-4-7 for the purposes
 19 of the fund.

20 SECTION 2. IC 5-13-12-4 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 4. (a) The
 22 secretary-investment manager shall administer, manage, and direct the
 23 affairs and activities of the board under the policies and under the
 24 control and direction of the board. In carrying out these duties, the
 25 secretary-investment manager has the power to do the following:

26 (1) Approve all accounts for salaries and allowable expenses of
 27 the board, including, but not limited to:

28 (A) the employment of general or special attorneys,
 29 consultants, and employees and agents as may be necessary to
 30 assist the secretary-investment manager in carrying out the
 31 duties of that office and to assist the board in its consideration
 32 of applications for a guarantee of an industrial development
 33 obligation or credit enhancement obligation guarantee; and
 34 (B) the setting of compensation of persons employed under
 35 ~~subdivision clause~~ (A).

36 (2) Approve all expenses incidental to the operation of the public
 37 deposit insurance fund.

38 (3) Perform other duties and functions that may be delegated to

1 the secretary-investment manager by the board or that are
2 necessary to carry out the duties of the secretary-investment
3 manager under this chapter.

4 (b) The secretary-investment manager shall keep a record of the
5 proceedings of the board, and shall maintain and be custodian of all
6 books, documents, and papers filed with the board, and its official seal.
7 The secretary-investment manager may make copies of all minutes and
8 other records and documents of the board, and may give certificates
9 under seal of the board to the effect that the copies are true copies. All
10 persons dealing with the board may rely upon the certificates.

11 (c) Each year, beginning in 2001, ~~and ending in 2011~~, after the
12 treasurer of state prepares the annual report required by IC 4-8.1-2-14,
13 the secretary-investment manager shall determine:

14 (1) the amount of interest earned by the public deposit insurance
15 fund during the state fiscal year ending on the preceding June 30,
16 after deducting:

17 (A) all expenses and other costs of the board for depositories
18 that were not paid from other sources during that state fiscal
19 year; and

20 (B) all expenses and other costs associated with the Indiana
21 education savings authority that were not paid from other
22 sources during that state fiscal year; and

23 (2) the amount of interest earned during the state fiscal year
24 ending on the preceding June 30 by the pension distribution fund
25 established by subsection (g).

26 (d) On or before November 1 of each year, beginning in 2001 and
27 ending in 2011, the public employees' retirement fund shall provide a
28 report to the secretary-investment manager concerning the individual
29 and aggregate payments made by all units of local government (as
30 defined in IC 5-10.3-11-3) during the preceding calendar year for
31 benefits under the police and firefighter pension funds established by
32 IC 36-8-6, IC 36-8-7, and IC 36-8-7.5.

33 (e) On or before the last business day of November of each year,
34 beginning in 2001 and ending in 2011, the secretary-investment
35 manager shall compute the amount of earned interest to be distributed
36 under this section to each unit of local government (as defined in
37 IC 5-10.3-11-3) in accordance with subsection (h) according to the
38 following formula:

1 STEP ONE: Add the amount determined under subsection (c)(1)
2 to the amount determined under subsection (c)(2).

3 STEP TWO: Divide the STEP ONE sum by the aggregate amount
4 of payments made by all units of local government during the
5 preceding calendar year for benefits under the police and
6 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and
7 IC 36-8-7.5, as reported under subsection (d).

8 STEP THREE: Multiply the STEP TWO quotient by the amount
9 of payments made by each unit of local government during the
10 preceding calendar year for benefits under the police and
11 firefighter pension funds established by IC 36-8-6, IC 36-8-7, and
12 IC 36-8-7.5, as reported under subsection (d).

13 **(f) On or before the last business day of November of each year,**
14 **beginning in 2012, the secretary-investment manager shall**
15 **compute the amount of earned interest to be distributed under this**
16 **section to the treasurer of state for deposit in the state affordable**
17 **housing and community development fund established under**
18 **IC 5-20-4-7 in an amount equal to the amount determined under**
19 **subsection (c)(1).**

20 ~~(f)~~ **(g)** Subject to subsection ~~(j)~~; **(l)**, on or before the last business
21 day of December of each year, beginning in 2001 and ending in 2011,
22 the secretary-investment manager shall provide to the auditor of state:

23 (1) a report setting forth the amounts to be distributed to units of
24 local government, as determined under subsection (e); and

25 (2) a check payable from the public deposit insurance fund to the
26 pension distribution fund established by subsection ~~(g)~~ **(j)** in an
27 amount equal to the amount determined under subsection (c)(1).

28 **(h) Subject to subsection (l), on or before the last business day**
29 **of December of each year, beginning in 2012, the**
30 **secretary-investment manager shall provide to the auditor of state**
31 **a report setting forth the amounts to be distributed to the state**
32 **affordable housing and community development fund, as**
33 **determined under subsection (f).**

34 ~~(g)~~ **(i)** The pension distribution fund is established. The pension
35 distribution fund shall be administered by the treasurer of state. The
36 treasurer of state shall invest money in the pension distribution fund
37 not currently needed to meet the obligations of the pension distribution
38 fund in the same manner as other public money may be invested.

1 Interest that accrues from these investments shall be deposited in the
 2 pension distribution fund. Money in the pension distribution fund at the
 3 end of a state fiscal year does not revert to the state general fund.

4 ~~(h)~~ **(j)** Subject to subsection ~~(j)~~, **(l)**, on June 30 and October 1 of
 5 each year, beginning in 2002 and ending in 2012, the auditor of state
 6 shall distribute in two (2) equal installments from the pension
 7 distribution fund to the fiscal officer of each unit of local government
 8 identified under subsection (d) the amount computed for that unit under
 9 subsection (e) in November of the preceding year.

10 ~~(i)~~ **(k)** Each unit of local government shall deposit distributions
 11 received under subsection ~~(h)~~ **(j)** in the pension fund or funds identified
 12 by the secretary-investment manager and shall use those distributions
 13 to pay a portion of the obligations with respect to the pension fund or
 14 funds.

15 ~~(j)~~ **(l)** Before providing a check to the auditor of state under
 16 subsection ~~(f)(2)~~ **(g)(2)** in December of any year, the
 17 secretary-investment manager shall determine:

- 18 (1) the total amount of payments made from the public deposit
 19 insurance fund under IC 5-13-13-3 after June 30, 2001;
- 20 (2) the total amount of payments received by the board for
 21 depositories and deposited in the public deposit insurance fund
 22 under IC 5-13-13-3 after June 30, 2001; and
- 23 (3) the total amount of interest earned by the public deposit
 24 insurance fund after the first of the payments described in
 25 subdivision (1).

26 If the total amount of payments determined under subdivision (1) less
 27 the total amount of payments determined under subdivision (2)
 28 (referred to in this subsection as the "net draw on the fund") exceeds
 29 ten million dollars (\$10,000,000) and also exceeds the total amount of
 30 interest determined under subdivision (3), the secretary-investment
 31 manager may not provide a check to the auditor of state under
 32 subsection ~~(f)(2)~~ **(g)(2)** and a distribution may not be made from the
 33 pension distribution fund under subsection ~~(h)~~ **(j)** in the following
 34 calendar year until the total amount of interest earned by the public
 35 deposit insurance fund equals the net draw on the fund. A check may
 36 not be provided under subsection ~~(f)(2)~~ **(g)(2)** and a distribution may
 37 not be made under subsection ~~(f)~~ **(g)** in any subsequent calendar year
 38 if a study conducted by the board under section 7(b) of this chapter

demonstrates that payment of the distribution would reduce the balance of the public deposit insurance fund to a level insufficient to ensure the safekeeping and prompt payment of public funds to the extent they are not covered by insurance of any federal deposit insurance agency."

Page 1, after line 17, begin a new line block indented and insert:

"(7) Money deposited in the fund under IC 5-1-14-15.

(8) Money deposited in the fund under IC 5-13-12-4."

Page 2, between lines 41 and 42, begin a new paragraph and insert:

"SECTION 5. IC 6-2.5-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) In order to compensate retail merchants for collecting and timely remitting the state gross retail tax and the state use tax, every retail merchant, except a retail merchant referred to in subsection (c), is entitled to deduct and retain from the amount of those taxes otherwise required to be remitted under IC 6-2.5-7-5 or under this chapter, if timely remitted, a retail merchant's collection allowance.

(b) The allowance equals ~~eighty-three hundredths percent (0.83%)~~ **a percentage** of the retail merchant's state gross retail and use tax liability accrued during a ~~reporting period; calendar year, specified as follows:~~

(1) Eighty-three hundredths percent (0.83%), if the retail merchant's state gross retail and use tax liability accrued during the state fiscal year ending on June 30 of the immediately preceding calendar year did not exceed seven hundred fifty thousand dollars (\$750,000).

(2) Thirteen-hundredths percent (0.13%), if the retail merchant's state gross retail and use tax liability accrued during the state fiscal ending on June 30 of the immediately preceding calendar year was greater than or equal to seven hundred fifty thousand dollars (\$750,000).

(c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not entitled to the allowance provided by this section."

Re-number all SECTIONS consecutively.

(Reference is to HB 1351 as printed February 14, 2007.)

and when so amended that said bill do pass.

Representative Crawford